No. 93-1577

Supreme Court, U.S.
FILED
DEC 5 1994
OFFICE OF THE CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1994

QUALITEX COMPANY,

Petitioner,

—v.—

JACOBSON PRODUCTS CO., INC.,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

BRIEF OF PRIVATE LABEL MANUFACTURERS ASSOCIATION AS AMICUS CURIAE IN SUPPORT OF AFFIRMANCE OF THE DECISION BELOW

Arthur M. Handler
Counsel of Record

Robert S. Goodman
Eileen P. McCarthy

BURNS HANDLER & BURNS
220 East 42nd Street
New York, New York 10017
(212) 687-1300

Counsel for Amicus Curiae Private Label Manufacturers Association

BEST AVAILABLE COPY

24 pp

QUESTION PRESENTED

Whether the Lanham Act, 15 U.S.C. 1051 *et seq.*, prohibits the registration of color as a trademark.

TABLE OF CONTENTS

	PAGE
INTEREST OF AMICUS CURIAE	1
SUMMARY OF ARGUMENT	3
ARGUMENT	5
POINT I—COLOR *PER SE* IS NOT AN APPROPRIATE IDENTIFIER OF SOURCE OF ORIGIN AND SHOULD NOT BE REGISTRABLE AS A TRADEMARK	5
A. Manufacturers Have Long Relied On The Traditional Rule That An Overall Color *Per Se* Is Not Registrable As A Trademark	5
B. Color *Per Se* Is Essentially Functional And Hence Not Eligible For Registration	9
C. Registration Of A Particular Color Should Not Be Permitted On The Grounds Of Color Depletion	11
D. Existing Law Adequately Protects The Use Of Color As A Trademark	12
POINT II—REGISTRABILITY OF COLOR *PER SE* NOT AS PART OF A DESIGN OR TRADE DRESS THREATENS TO ADVERSELY IMPACT COMPETITION AND FORECLOSE NEW ENTRANTS	13
CONCLUSION	17

TABLE OF AUTHORITIES

Cases:

	PAGE
AmBrit, Inc. v. Kraft, Inc., 812 F.2d 1531 (11th Cir. 1986), *cert. denied*, 481 U.S. 1041, 107 S.Ct. 1983 (1987)	6, 7, 13
Application of Deister Concentrator Company, 289 F.2d 496 (C.C.P.A. 1961)	8
Barbasol Co. v. Jacobs, 160 F.2d 336 (7th Cir. 1947)	13
Blinded Veterans Ass'n v. Blinded Am. Veterans Foundation, 872 F.2d 1035 (D.C. Cir. 1989)	8n
Campbell Soup Co. v. Armour & Co., 175 F.2d 795 (3d Cir.), *cert. denied*, 338 U.S. 847, 70 S.Ct. 88 (1949)	5, 6, 11, 13
Coca Cola Co. v. Koke Co., 254 U.S. 143, 41 S.Ct. 113 (1920)	6
Conopco, Inc. v. May Dep't Stores Co., 32 U.S.P.Q.2d (BNA) 1225, 1994 U.S.App. Lexis 26390 (Fed. Cir. Sept. 21, 1994)	15, 16
Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd., 467 F.Supp. 366 (S.D.N.Y.), *aff'd*, 604 F.2d 200 (2d Cir. 1979)	5
Deere & Co. v. Farmhand, Inc., 560 F.Supp. 85 (S.D. Iowa 1982), *aff'd per curiam*, 721 F.2d 253 (8th Cir. 1983)	5, 6, 9, 10, 12
Diamond Match Co. v. Saginaw Match Co., 142 F. 727 (6th Cir.), *cert. denied*, 203 U.S. 589, 27 S.Ct. 776 (1906)	11
First Brands Corp. v. Fred Meyer, Inc., 809 F.2d 1378 (9th Cir. 1987)	5, 9

PAGE

In Re Owens-Corning Fiberglas Corp., 774 F.2d 1116 (Fed. Cir. 1985) 9, 12, 14

Inwood Laboratories v. Ives Laboratories, 456 U.S. 844, 102 S.Ct. 2182 (1982) 9

James Burrough Ltd. v. Sign of Beefeater, Inc., 540 F.2d 266 (7th Cir. 1976) 14

Keene Corp. v. Paraflex Industries, Inc., 653 F.2d 822 (3d Cir. 1981) 10

Life Savers Corp. v. Curtiss Candy Co., 182 F.2d 4 (7th Cir. 1950) 5

Mershon Co. v. Pachmayr, 220 F.2d 879 (9th Cir.), *cert. denied*, 350 U.S. 885, 76 S.Ct. 139 (1955).. 5

New West Corp. v. NYM Co. of California, Inc., 595 F.2d 1194 (9th Cir. 1979) 13

Nor-Am Chemical v. O.M. Scott & Sons Co., 4 U.S.P.Q.2d 1316 (E.D. Pa. 1987) 11

North Shore Laboratories Corp. v. Cohen, 721 F.2d 514 (5th Cir. 1983) 5, 9, 13

Norwich Pharmacal Co. v. Sterling Drug, Inc., 271 F.2d 569 (2d Cir. 1959), *cert. denied*, 362 U.S. 919, 80 S.Ct. 671 (1960)..... 5, 6

NutraSweet Co. v. Stadt Corp., 917 F.2d 1024 (7th Cir. 1990), *cert. denied*, 499 U.S. 983, 111 S.Ct. 1640 (1991) 5, 6, 11, 12

Pacific Coast Condensed Milk Co. v. Frye & Co., 147 P. 865, 85 Wash. 133 (1915) 11

Pagliero v. Wallace China Co., 198 F.2d 339 (9th Cir. 1952) 10

PAGE

Park 'N Fly, Inc. v. Dollar Park and Fly, Inc., 469 U.S. 189, 105 S.Ct. 658 (1985) 8n

Plastilite Corp. v. Kassnar Imports, 508 F.2d 824 (C.C.P.A. 1975) 7

Quabaug Rubber Co. v. Fabiano Shoe Co., Inc., 567 F.2d 154 (1st Cir. 1977)..... 5, 12

Qualitex Co. v. Jacobson Products Co., 13 F.3d 1297 (9th Cir. 1994) 13

R.L. Winston Rod Co. v. Sage Mfg. Co., 838 F.Supp. 1396 (D. Mont. 1993) 11, 12n

Specialty Surgical Instrumentation v. Phillips, 844 F.Supp. 1211 (M.D. Tenn. 1994)..... 11

Sylvania Electric Products v. Dura Electric Lamp Co., 247 F.2d 730 (3d Cir. 1957)..... 9

Tas-T-Nut Co. v. Variety Nut & Date Co., 245 F.2d 3 (6th Cir. 1957) 5

Two Pesos, Inc. v. Taco Cabana, Inc., ___ U.S. ___, 112 S.Ct. 2753 (1992) 8n, 13

Volkswagenwerk Aktiengesellschaft v. Rickard, 492 F.2d 474 (5th Cir. 1974) 5, 6

Vuitton et Fils S.A. v. J. Young Enterprises, Inc., 644 F.2d 769, 775 (9th Cir. 1981) 9

Wallace Intern. Silversmith v. Godinger Silver Art, 916 F.2d 76 (2d Cir. 1990), *cert. denied*, 499 U.S. 976, 111 S.Ct. 1622 (1991) 10, 13-14

Warner Lambert Co. v. McCrory's Corp., 718 F.Supp. 389 (D.N.J. 1989)..... 5, 10

PAGE

Rules and Regulations:

Lanham Act, § 43(a), 15 U.S.C. 1125 (a) 3, 10, 14

Lanham Act, 15 U.S.C. 1051 *et seq.* 12

Rule 37 of the Supreme Court Rules..... 1

Other Authorities:

Industrial Design Protection: Hearings Before the House Subcommittee on Courts, Intellectual Property, and the Administration of Justice of the Committee on the Judiciary, 101st Cong., 2d Sess., 528 (1990) 2n

J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition §§ 7-16 - 7-17 (3d ed. 1993)* 5-6, 7, 12

Restatement (Third) of Unfair Competition § 13 cmt. d (Tentative Draft No.2 March 30, 1990) 6

PLMA's 1994 Private Label Industry Handbook (1994) 2n

IN THE

Supreme Court of the United States

OCTOBER TERM, 1994

No. 93-1577

QUALITEX COMPANY,

Petitioner,

—against—

JACOBSON PRODUCTS CO., INC.,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

BRIEF OF PRIVATE LABEL MANUFACTURERS ASSOCIATION AS AMICUS CURIAE IN SUPPORT OF AFFIRMANCE OF THE DECISION BELOW

Pursuant to Rule 37 of the Supreme Court Rules, Private Label Manufacturers Association ("PLMA"), with the consent of the parties, submits this brief as *amicus curiae* in support of affirmance of the decision below.[1]

INTEREST OF AMICUS CURIAE

PLMA is a non-profit trade organization which represents more than 1,200 companies involved in the manufacture and

[1] The written consents of all parties to the filing of this *amicus* brief have been filed with the Clerk of the Court in compliance with Rule 37.3 of the Supreme Court Rules.

distribution of private label brands, which are also known as store brands—products that are sold under the retailer's or wholesaler's brand name in supermarkets, drug chains and mass merchandisers throughout the United States. These products include food, beverages, snacks, health and beauty aids, over-the-counter drugs, household cleaners and chemicals, outdoor and leisure products, auto aftercare and general merchandise.

"Private label" or "store brand" products account for nearly 20% of supermarket sales volume and 25% of sales at major drug chains. For the consumer, private label provides the opportunity to regularly purchase quality food and non-food products at substantial savings and serves as a competitive alternative to national brands. By purchasing private label brands, consumers save 26% on a typical trip to the supermarket and 38% on a typical visit to a major drug chain.[2]

For the 52-week period ending January 2, 1994, total sales of private label products in United States supermarkets were $30 billion, in chain drug stores $2 billion, and in mass merchandisers $2.1 billion.[3]

PLMA has a direct and substantial interest in the preservation of open, competitive markets in which manufacturers may sell high-quality goods to consumers at reasonable prices. PLMA's *amicus* submission is intended to bring such considerations to the attention of this Court and to demonstrate the importance of retaining the general prohibition against registration of color *per se* as a trademark and the substantial adverse consequences flowing from its elimination.

---

[2] *Industrial Design Protection: Hearings Before the House Subcommittee on Courts, Intellectual Property, and the Administration of Justice of the Committee on the Judiciary*, 101st Cong., 2d Sess., 528 (1990) (statement of Brian Sharoff, President, Private Label Manufacturers Association).

[3] PLMA's 1994 Private Label Industry Handbook (1994) (statistical data compiled by Information Resources, Inc.)

Since the vast majority of private label purchases are on-the-spot decisions, consumers often rely on color to identify the category or function of the product. This is to be distinguished from labels, appearance, shape and size of the product, as well as the design of the packaging—the so-called "trade dress" of the item which serves to identify the source of origin of the product. Manufacturers and others in the distribution chain assume the burden of such consumer education, while at the same time being vigilant to avoid confusion as to source of manufacture or designation of origin. Permitting registration of color *per se* is anti-competitive and undermines the ability of a competitor to inform the consumer of the category or function of the product. In addition, permitting the registration of a particular color introduces unnecessary and economically burdensome litigation uncertainty into product design and manufacturing decisions since there is no way to predict with certainty whether a particular shade of color is sufficiently different from the registered color to avoid a claim of trademark infringement.

SUMMARY OF ARGUMENT

Color *per se* is not registrable as a trademark. The traditional rule, not modified by the provisions of the Lanham Act, is that color *per se* is not entitled to registration as a trademark because it can not appropriately serve to identify source of origin. This definite *per se* rule has existed for more than seventy (70) years and there is no demonstrated need for any judicial change.

Color is in the public domain, free to be used by anyone and thus cannot be a trademark. Its generic quality makes it not registrable.

Since color serves the practical purpose of identifying the category or function of a product as opposed to the source of the product, it is not eligible for trademark protection. Standing alone, color is not an appropriate identifier of source of

origin. It is only when color is combined as an element of a distinctive symbol, design or label, or incorporated in a distinctive trade dress, that it appropriately functions as a trademark. Existing law adequately protects color when it is employed in that fashion.

Registrability of color *per se* is also objectionable because of the color depletion which flows from such registration. If color *per se* is determined to be registrable, infringement actions will degenerate into questions of shade confusion. Product design and manufacturing decisions would be suject to litigation uncertainty, making it impossible to predict whether any particular shade of color could withstand challenge as a trademark infringement.

Given the finite number of colors, trademark protection of particular colors would have a serious adverse effect upon competition. The purpose of a trademark is to prevent confusion not to bar new entrants into the market. If color *per se* were registrable as a trademark, competition would be effected and entry into the market made difficult if not impossible where there is monopoly of a color by the first user.

There is no valid reason to permit such adverse competitive effect.

ARGUMENT

POINT I

COLOR *PER SE* IS NOT AN APPROPRIATE IDENTIFIER OF SOURCE OF ORIGIN AND SHOULD NOT BE REGISTRABLE AS A TRADEMARK

A. Manufacturers Have Long Relied On The Traditional Rule That An Overall Color *Per Se* Is Not Registrable As A Trademark

In manufacturing and designing a product, manufacturers have long relied on the traditional rule that color *per se*—unconfined by any defined design—cannot be the subject of a trademark. *E.g.*, *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027-28 (7th Cir. 1990), *cert. denied*, 499 U.S. 983, 111 S.Ct. 1640 (1991); *First Brands Corp. v. Fred Meyer, Inc.*, 809 F.2d 1378, 1382-83 (9th Cir. 1987); *North Shore Laboratories Corp. v. Cohen*, 721 F.2d 514, 523 (5th Cir. 1983); *Deere & Co. v. Farmhand, Inc.*, 560 F.Supp. 85 (S.D. Iowa 1982), *aff'd per curiam*, 721 F.2d 253 (8th Cir. 1983); *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 467 F.Supp. 366, 374 (S.D.N.Y.), *aff'd*, 604 F.2d 200 (2d Cir. 1979); *Quabaug Rubber Co. v. Fabiano Shoe Co., Inc.*, 567 F.2d 154, 161 (1st Cir. 1977); *Volkswagenwerk Aktiengesellschaft v. Rickard*, 492 F.2d 474, 479-480 (5th Cir. 1974); *Norwich Pharmacal Co. v. Sterling Drug, Inc.*, 271 F.2d 569, 572 (2d Cir. 1959), *cert. denied*, 362 U.S. 919, 80 S.Ct. 671 (1960); *Tas-T-Nut Co. v. Variety Nut & Date Co.*, 245 F.2d 3, 6 (6th Cir. 1957); *Mershon Co. v. Pachmayr*, 220 F.2d 879, 883 (9th Cir.), *cert. denied*, 350 U.S. 885, 76 S.Ct. 139 (1955); *Life Savers Corp. v. Curtiss Candy Co.*, 182 F.2d 4, 9 (7th Cir. 1950); *Campbell Soup Co. v. Armour & Co.*, 175 F.2d 795, 798 (3d Cir.), *cert. denied*, 338 U.S. 847, 70 S.Ct. 88 (1949); *Warner Lambert Co. v. McCrory's Corp.*, 718 F.Supp. 389, 396 (D.N.J. 1989); J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* §§ 7-16 -

7-17 (3d ed. 1993); *Restatement (Third) of Unfair Competition* § 13 cmt. d (Tentative Draft No.2 March 30, 1990) ("courts generally have refused to recognize exclusive rights in a color *per se*").

As far back as 1920, this Court in *Coca Cola Co. v. Koke Co.*, 254 U.S. 143, 41 S.Ct. 113 (1920) (Holmes, J.) denied trademark protection to the color of a cola beverage. As a result, in today's supermarkets and other outlets, consumers are able to identify various cola beverages by their brown color and make their selection of a particular cola product from among various competitive products. No inherent confusion results from the similarity in color given the presence of individual brand names, labels and distinctive trade dress of the various competing cola products.

As a result of the traditional rule, manufacturers can offer and consumers can purchase medicinal liquids colored pink, *Norwich Pharmacal Co. v. Sterling Drug, Inc.*, 271 F.2d 569 (2d Cir. 1959), *cert. denied*, 362 U.S. 919, 80 S.Ct. 671 (1960); food products in red and white cans, *Campbell Soup Co. v. Armour & Co.*, 175 F.2d 795 (3d Cir.), *cert. denied*, 338 U.S. 847, 70 S.Ct. 88 (1949); farm machinery painted green, *Deere & Co. v. Farmhand, Inc.*, 560 F.Supp. 85 (S.D. Iowa 1982), *aff'd per curiam*, 721 F.2d 253 (8th Cir. 1983); sugar substitutes in blue packets, *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024 (7th Cir. 1990), *cert. denied*, 499 U.S. 983, 111 S.Ct. 1640 (1991); ice cream and frozen desserts in royal blue and silver foil packaging, *AmBrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531 (11th Cir. 1986), *cert. denied*, 481 U.S. 1041, 107 S.Ct. 1983 (1987); and advertisements for automobile service painted blue, *Volkswagenwerk Aktiengesellschaft v. Rickard*, 492 F.2d 474 (5th Cir. 1974).

In *AmBrit, Inc. v. Kraft, Inc.*, *supra*, the court found the defendant had infringed plaintiff's distinctive trade dress and enjoined such violation. Nonetheless, the court recognized that color *per se* was not protected and refused to enjoin

defendant's use of royal blue on a silver foil wrapper. The Eleventh Circuit stated:

> The general rule is that "no seller can foreclose others absolutely from using any particular color". Relying on *Re Owens-Corning Fiberglas Corp.*, Isaly argues that the Lanham Act does protect color alone. Even if we were to accept the logic of that decision, we would still preclude Isaly from attempting to monopolize the color royal blue because there is no evidence that the color royal blue can or does serve an origin indicating function in connection with the sale of ice cream products. Royal blue is a "cool color"; it is suggestive of coldness and used by a multitude of ice cream and frozen dessert producers. A court of equity may preclude an infringer from conduct that would otherwise have been unassailable, but because of the widespread use of the color royal blue and its inability to serve as an origin indicator, any order precluding Kraft from using the color royal blue must be tailored to achieve the goal of protecting the consuming public from confusion.

AmBrit, Inc. v. Kraft, Inc., 812 F.2d at 1548 (citations omitted).

As a result of more than seventy (70) years of jurisprudence, the general rule can be simply articulated as follows:

> Color or colors used as mere surface decoration cannot be monopolized by a claim to trademark rights therein.

Plastilite Corp. v. Kassnar Imports, 508 F.2d 824, 826 (C.C.P.A. 1975). As set forth in *McCarthy on Trademarks and Unfair Competition*:

> The traditional rule is that a color, *per se*, is not capable of appropriation as a trademark. That is, one seller cannot make a product or its packaging in a certain color and claim that "This is my Color. No one else in this market can use this color in any way."

§ 7.16[1] at 7-66 (footnote omitted).

Manufacturers and consumers have become accustomed to conducting their business affairs within this legal framework and no one can argue that such a rule has led to confusion in the marketplace. To the contrary, both manufacturers and consumers have benefitted: (a) manufacturers may freely identify the category or function of their product by color, and (b) buyers are readily able to identify the type of product they wish to purchase; e.g., fire extinguishers by the color red; canned vegetables by the color green; lemonade by the color yellow; ice cream and other frozen dessert products by the colors blue and silver; bathroom and other personal hygiene products by pastel shades of blues, greens and mauves; and antifreeze by the color yellow.

In short, color *per se* operates not as a trademark to identify source of origin enabling a buyer to distinguish between competing products but rather as a generic identifier of the category or function of the product.

Color is in the public domain and thus is available for use by anyone. Given this principle, appropriation of a particular color by a "first user" should not exclude use of that color by others. "[T]hat which all are free to use cannot be a trademark." *Application of Deister Concentrator Company*, 289 F.2d 496, 502 n.5 (C.C.P.A. 1961). The application of color alone to a product thus lacks the distinctive, creative nature required for trademark protection and which can thus distinguish one person's goods from those manufactured by another.[4]

---

[4] That which is generic is not registrable as a trademark. *Two Pesos, Inc. v. Taco Cabana, Inc.*, ___ U.S. ___, 112 S.Ct. 2753, 2757 (1992); *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189, 194, 105 S.Ct. 658, 661 (1985); *Blinded Veterans Ass'n v. Blinded Am. Veterans Foundation*, 872 F.2d 1035, 1039 (D.C. Cir. 1989) (R.B. Ginsberg, C.J.) ("Because a generic term denotes the thing itself, it cannot be appropriated by one party from the public domain; it therefore is not afforded trademark protection even if it becomes associated with only one source.")

Treating color as generic and hence not entitled to registration does not adversely effect the ability of manufacturers to distinguish their products from those of their competitors. Both manufacturers and buyers rely upon words, symbols, designs and other conventional trademarks and distinctive trade dress to distinguish between competing products. In this context, color is irrelevant other than as one element of a distinctive mark or dress.

The significant error of the majority in *In Re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1123 (Fed. Cir. 1985) is its view that trademark protection of a single overall color was the same as a distinctive design and/or trade dress which it saw as protected in *Vuitton et Fils S.A. v. J. Young Enterprises, Inc.*, 644 F.2d 769, 775 (9th Cir. 1981) (distinctive overall pattern of florets and initials "LV"). The creativity inherent in the distinctive and arbitrary Vuitton mark as compared to the appropriation of a "generic" color distinguishes the two cases. That Vuitton's distinctive mark is applied to the overall surface of the product does not make that mark analogous to a mere overall color.

B. Color *Per Se* Is Essentially Functional And Hence Not Eligible For Registration

Color has been judicially recognized as serving a functional purpose and hence ineligible for trademark protection. *E.g.*, *Inwood Laboratories v. Ives Laboratories*, 456 U.S. 844, 102 S.Ct. 2182 (1982) (blue and blue-red color of capsules are functional); *First Brands Corp. v. Fred Meyer, Inc.*, 809 F.2d 1378 (9th Cir. 1987) (yellow color of antifreeze container held functional); *North Shore Laboratories Corp. v. Cohen*, 721 F.2d 514 (5th Cir. 1983) (color of tire repair held functional); *Deere & Co. v. Farmhand, Inc.*, 560 F.Supp. 85 (S.D. Iowa 1982), *aff'd per curiam*, 721 F.2d 253 (8th Cir. 1983) (green color of farm machinery held functional); *Sylvania Electric Products v. Dura Electric Lamp Co.*, 247 F.2d 730 (3d Cir. 1957) (blue dot on flash bulbs held functional);

AmBrit, Inc. v. Kraft, Inc., 812 F.2d 1531 (11th Cir. 1986) *cert. denied*, 481 U.S. 1041, 107 S. Ct. 1983 (1987) (color royal blue on textured foil wrapper held to denote "coolness" and hence functional); *Warner Lambert Co. v. McCrory's Corp.*, 718 F.Supp. 389, 396 (D.N.J. 1989) (colors of mouthwash indicate flavor and hence functional); *see, Wallace Intern. Silversmith v. Godinger Silver Art*, 916 F.2d 76 (2d Cir. 1990), *cert. denied*, 499 U.S. 976, 111 S.Ct. 1622 (1991) (baroque design of silverware held functional); *Keene Corp. v. Paraflex Industries, Inc.*, 653 F.2d 822 (3d Cir. 1981) (aesthetic functionality of design configuration of a lighting fixture); *Pagliero v. Wallace China Co.*, 198 F.2d 339 (9th Cir. 1952) (design of hotel china held functional).

In *Deere & Co. v. Farmhand, Inc., supra*, the court held the color "John Deere green" to be aesthically functional and hence not protectible. The District Court's finding as to the aesthetic functionality of the color "John Deere green," affirmed by the Eighth Circuit, was as follows:

> The Court concludes that the doctrine of aesthetic functionality should apply to the dispute now before the Court. The Court has found that farmers prefer to match their loaders to their tractor just as the lighting fixture in *Keene* was designed to match the architecture of the building on which it was mounted.

Deere & Co. v. Farmhand, Inc., 560 F.Supp. at 98 (footnote omitted). The *Deere* court concluded that protection of the color green would impair competition and declined to protect the color under the Lanham Act, § 43(a), 15 U.S.C. 1125 (a). *Id.* at 101.

Functionality is clearly one basis for holding that color *per se* should not be registrable as a trademark. It appears self-evident that mere "first use" of a particular color ought not be sufficient to bar a competitor from the use of the same color on a competing product.

C. Registration Of A Particular Color Should Not Be Permitted On The Grounds Of Color Depletion

Another reason for the traditional rule against registrability of color as a trademark was the recognition that there were a finite number of colors in the spectrum which could be depleted by trademark registration with obvious adverse effect upon competition. Notwithstanding the availability of different shades of primary colors discussed below, color depletion remains a valid objection to the registrability of color *per se*. *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1028 (7th Cir. 1990), *cert. denied*, 499 U.S. 983, 111 S. Ct. 1640 (1991); *Campbell Soup Co. v. Armour & Co.*, 175 F.2d 795 (3d Cir.), *cert. denied*, 338 U.S. 847, 70 S. Ct. 88 (1949); *Diamond Match Co. v. Saginaw Match Co.*, 142 F. 727, 729 (6th Cir.), *cert. denied*, 203 U.S. 589, 27 S.Ct. 776 (1906); *Specialty Surgical Instrumentation v. Phillips*, 844 F.Supp. 1211 (M.D. Tenn. 1994); *R.L. Winston Rod Co. v. Sage Mfg. Co.*, 838 F.Supp. 1396 (D. Mont. 1993); *Nor-Am Chemical v. O.M. Scott & Sons Co.*, 4 U.S.P.Q.2d 1316 (E.D. Pa. 1987); *Pacific Coast Condensed Milk Co. v. Frye & Co.*, 147 P. 865, 869, 85 Wash. 133 (1915).

As the court in *Campbell Soup* observed:

> What the plaintiffs are really asking for, then, is a right to the exclusive use of labels which are half red and half white for food products. If they may thus monopolize red in all of its shades the next manufacturer may monopolize orange in all its shades and the next yellow in the same way. Obviously, the list of colors will soon run out.

175 F.2d at 798.

Given the importance of color in identifying the type and function of a product in today's marketplace, with its array of competing products and the limited number of such colors, the traditional ban on registrability of a particular color as a trademark should be continued.

That varying shades of color may greatly increase the available reservoir of colors is not a sufficient response to the color depletion rationale.[5] How different a shade of red or blue must a competitor utilize to be safeguarded from a claim of trademark infringement? Significant product planning and manufacturing decisions should not be required to be based on a prediction as to whether a light rose or peacock blue shade will in the future be viewed by a judicial trier of fact as sufficiently different from the color of the first user's alleged mark. To paraphrase the *NutraSweet* court, infringement actions could soon degenerate into questions of shade confusion and result in a plethora of litigation with an absence of certainty and predictability. *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027 (7th Cir. 1990), *cert. denied*, 499 U.S. 983, 111 S.Ct. 1640 (1991); *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1131 (Fed. Cir. 1985) (Bissell, J., dissenting); *Deere & Co. v. Farmland, Inc.*, 560 F.Supp. 85, 96 n.19 (S.D. Iowa 1982), *aff'd per curiam*, 721 F.2d 253 (8th Cir. 1983); *see*, McCarthy, *supra*, § 7.16[1] at 7-69.

D. Existing Law Adequately Protects The Use Of Color As A Trademark

The Lanham Act, 15 U.S.C. 1051 *et seq.*, and judicial decisions thereunder adequately protect the use of color as an element of a trademark when used in connection with some symbol or design or impressed in a particular design, as a circle, square, triangle, cross, or star. *E.g.*, *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027 (7th Cir. 1990), *cert. denied*, 499 U.S. 983, 111 S.Ct. 1640 (1991); *Quabaug Rubber Company v. Fabiano Shoe Co., Inc.*, 567 F.2d 154, 161

---

[5] It must be recognized that not all colors make commercial sense for all products. For example, where fishermen prefer rods in a limited range of colors, such as green, black or brown, to permit any one of these limited number of colors to be trademarked for such product would have a truly anti-competitive effect. *R. L. Winston Rod Co. v. Sage Mfg. Co.*, 838 F.Supp. 1396, 1400 (D. Mont. 1993).

(1st Cir. 1977); *Campbell Soup Co. v. Armour & Co.*, 175 F.2d 795, 798 (3d Cir.), *cert. denied*, 338 U.S. 847, 70 S. Ct. 88 (1949); *Barbasol Co. v. Jacobs*, 160 F.2d 336, 338 (7th Cir. 1947).

This Court has only recently reaffirmed such protection of color when incorporated in "inherently distinctive" trade dress. *Two Pesos, Inc. v. Taco Cabana, Inc.*, ___ U.S. ___, 112 S.Ct. 2753 (1992).

Where there is "palming off" or confusion as to source of nearly identical goods, courts have authority to require labeling or other precautionary steps to prevent buyers being misled as to source. *See, e.g., North Shore Laboratories v. Cohen*, 721 F.2d 514, 521 (5th Cir. 1983); *AmBrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531 (11th Cir. 1986), *cert. denied*, 481 U.S. 1041, 107 S.Ct. 1983 (1987).

POINT II

REGISTRABILITY OF COLOR *PER SE* NOT AS PART OF A DESIGN OR TRADE DRESS THREATENS TO ADVERSELY IMPACT COMPETITION AND FORECLOSE NEW ENTRANTS

The Ninth Circuit below correctly recognized that "[t]he basic test for unfair competition is whether consumer confusion or deception is likely as a result of the defendant's acts" and that "[r]egistration of a trademark is not a prerequisite for recovery under [Lanham Act] Section 43(a)." *Qualitex Co. v. Jacobson Products Co.*, 13 F.3d 1297, 1302 (9th Cir. 1994). The ultimate issue is whether a party has a " 'reasonable interest to be protected.' *New West Corp. v. NYM Co. of California, Inc.*, 595 F.2d 1194, 1198 (9th Cir. 1979), *quoted in Smith v. Montoro*, 648 F.2d 602, 605 (9th Cir. 1981)." *Id.* A mark may not be used to exclude competitors from the marketplace. *Wallace Intern. Silversmith v. Godinger*

Silver Art, 916 F.2d 76, 81 (2d Cir. 1990), *cert. denied*, 499 U.S. 976, 111 S. Ct. 1622 (1991).

"The 'property' in a trademark is the right to prevent confusion, not to bar new entrants into the market." *In Re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1130 (Fed. Cir. 1985) (Bissell J., dissenting). As the Court stated in *James Burrough Ltd. v. Sign of Beefeater, Inc.*, 540 F.2d 266, 274, 276 (7th Cir. 1976):

> A "trademark" is not that which is infringed. What is infringed is the right of the public to be free of confusion and the synonymous right of a trademark owner to control his product's reputation.
>
> * * *
>
> The trademark laws exist not to "protect" trademarks, but, as above indicated, to protect the consuming public from confusion, concomitantly protecting the trademark owner's right to a non-confused public.

At bar, this Court is confronted with the task of drawing a balance between society's interest in fostering and preserving open competition between varying brands of comparable products and a first user's interest in protecting the exclusive right to a particular color.

It is respectfully submitted that the interests of society, including manufacturers and consumers, consistent with the statutory language and purpose of the Lanham Act, are best served by preserving the traditional rule prohibiting the registrability of color as a trademark while preserving the protection of color when incorporated as an element in a distinctive design, logo, shape or trade dress. Only in the latter form does color serve the *bona fide* trademark function as an identifier of source.

The revolution in the marketplace which has been created by the introduction and market acceptance of "private" or

"store" brands was recently the subject of attention in *Conopco, Inc. v. May Dep't Stores Co.*, 32 U.S.P.Q.2d (BNA) 1225, 1994 U.S.App. Lexis 26390 (Fed.Cir. Sept. 21, 1994). In that case, the Federal Circuit reversed the district court's grant of an injunction and other relief against a defendant charged with infringement of plaintiff's patent, trademarks and trade dress for "Vaseline Intensive Care Lotion." Notwithstanding the alleged similarity in the defendant's trade dress, the Court of Appeals was persuaded that the presence of defendant's prominently displayed "black and white diagonally-striped Venture" label and logo on the back and front of the defendant's product rebutted any possible claim of consumer confusion.

The Federal Circuit ruled:

> With the rise of regional and national discount retailers with established names and logos, retailers who market both national brands and their own private label brands in direct competition, this form of competition has become commonplace and well-known in the marketplace. When such packaging is clearly labelled and differentiated—as was the case here, see the discussion in the next section—we are unwilling to attribute to the Eighth Circuit, absent clear precedent so requiring, a rule that would make such competition presumptively unlawful.
>
> * * *
>
> The unique and extensive appearance of that logo in the store parking lot, on store signs, on employees' badges, in Venture's frequent and periodic print and television advertisements, and on other private label items sold by Venture, the large volume of Venture's annual sales ($1.3 billion in 1990), and the dearth of evidence that consumers ever purchased the Venture brand thinking it to have originated from Conopco despite the extended (over 10 year) period over which the original and relaunched

> [Vaseline] products were sold alongside the Venture brand, give rise to the expectation that consumers identify the logo with Venture, rather than Conopco, and use that logo to successfully distinguish between the two brands.

Conopco, Inc. v. May Dep't Stores Co., 1994 U.S.App. Lexis, at *27, *29-30 (footnotes omitted).

In short, existing law adequately protects a first user's legitimate interest in the distinctive identifiers used to differentiate its goods from those of a competitor. Color alone is not such an appropriate identifier of source of origin and abandonment of the long-accepted traditional rule will be anti-competitive, causing uncertainty and needless litigation.

CONCLUSION

For each of the foregoing reasons, this Court should affirm the Ninth Circuit's determination to the extent that it held that the Lanham Act prohibits the registration of color as a trademark.

Respectfully submitted,

Arthur M. Handler
Counsel of Record

Robert S. Goodman
Eileen P. McCarthy

BURNS HANDLER & BURNS
220 East 42nd Street
Suite 3000
New York, New York 10017
(212) 687-1300

Counsel for Amicus Curiae
Private Label Manufacturers
Association

December 6, 1994